



**FINANCING ELIGIBILITY STATEMENT - "ECONOMIC DISADVANTAGE"**

Individual's Name \_\_\_\_\_

Applicant Business Name \_\_\_\_\_

**INSTRUCTIONS:**

Answers to the following questions will be used to determine your personal eligibility for your business to receive financing under Section 301(d) of the Small Business Investment Act. Under this provision, to be eligible to receive financing, you must meet the criteria stipulated in Appendix 1 of this form. Please provide complete responses to each question. When your answers require additional space, use plain white paper properly identifying the item number to which you are responding. **Omission of any information requested will result in a delay in the review and consideration of your application.**

**I. ECONOMIC DISADVANTAGE**

**Because of low income, minimal personal net worth, and total personal assets of minimal value, I am, and have been, hampered in my ability to access capital and credit markets. Consequently, my ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities as compared with others in the same business area who are not economically disadvantaged.**

\_\_\_\_\_ **YES**                      \_\_\_\_\_ **NO**

**If your answer to the above question is yes, document below how your ability to compete in the marketplace has been impaired by such things as inability to obtain bonding, credit or financing or other factors that have restricted your access to markets.**

- A. Please provide your Adjusted Gross Income, as reported on your personal federal income tax form, for the two most recent years (attach supporting documentation):**

\$ \_\_\_\_\_ \$ \_\_\_\_\_

- B. PLEASE COMPLETE THE ATTACHED PERSONAL FINANCIAL STATEMENT.**

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### II. Ownership and Control

- A. Describe how socially or economically disadvantaged persons have a majority voting interest on the board of directors or any other governing body of the concern being financed (provide supporting documentation).
- B. If your business is a corporation or a general partnership, explain how the eligible disadvantaged person(s) will own more than 50% of the voting interest of the business after receiving financing from the Small Business Investment Company (provide supporting documentation).
- C. Is the business concern a limited partnership? \_\_\_\_\_ Yes \_\_\_\_\_ No  
If Yes, explain (and provide documentation) to show whether the eligible disadvantaged person(s) are either the general partners, or that they control any corporate general partners.
- D. Indicate the percentage of the *economic interest* that eligible disadvantaged person(s) hold in the business (provide supporting documentation). (*Economic interest* is the right to proportionate distributions after all secured and unsecured debts have been satisfied.)
- E. Do the eligible disadvantaged person(s) hold less than 50% of the *economic interest* in the company? If so, fully describe all other investors holding and *economic interest* in the company.

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### **III. CERTIFICATION OF ELIGIBILITY**

I hereby certify that all information in this Statement, including exhibits and supporting documentation, is true and complete to the best of my knowledge and is submitted for consideration of financing from an entity licensed by the U.S. Small Business Administration.

I acknowledge that any statement made in this Financing Eligibility Statement, including exhibits and supporting documentation, which I know to be false, may, under provisions of the Small Business Act and/or the Small Business Investment Act, and 18 U.S.C. 1001, subject me to a fine, imprisonment, or both.

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Name of Business

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Typed Name and Title of Qualifying Person

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Signature of Qualifying Person

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#### IV. LICENSEE CERTIFICATION

I hereby certify that the licensee has reviewed all information provided by the small business concern in support of its application for financing, and determined that all documentation and other information supports the eligibility of the applicant and establishes that the concern is owned and managed by an eligible socially or economically disadvantaged person(s), as defined in the Small Business Investment Act and SBA Policy and Procedural Release # \_\_\_\_\_, dated \_\_\_\_\_.

I acknowledge that any statement made in this Financing Eligibility Statement, including exhibits and supporting documentation, which I know to be false, may, under provisions of the Small Business Act and/or the Small Business Investment Act, and 18 U.S.C. 1001, subject me to a fine, imprisonment, or both.

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Name of SBIC/SSBIC

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Typed Name of President or General Partner

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Signature of President or General Partner

PLEASE NOTE: The estimated burden for completing this form is 2 hours per response. You are not required to respond to any collection of information unless it displays a currently valid OMB approval number. Comments on the burden should be sent to U.S. Small Business Administration, Chief, AIB, 409 3RD St., S.W. Washington, D.C. 204016 and Desk Officer for the Small Business Administration, Office of Management and Budget, New Executive Office Building, Room 10202, Washington, D.C. 20503. OMB Approval (3245-0301).

**PLEASE DO NOT SEND FORMS TO OMB.**